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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

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13 UNITED STATES OF AMERICA,)
14 Plaintiff,)
15 v.)
16 JIMMY QUAN,)
a/k/a Toha Quan,)
17 ANNA WONG,)
a/k/a Anna You Nor Wong, and)
18 JENNY WONG,)
a/k/a Jenny Yee Nor Wong,)
19 Defendants.)

No.
VIOLATIONS: 18 U.S.C. § 157 –
Bankruptcy Fraud; 18 U.S.C. § 152(8) –
False Record Entry; 18 U.S.C. § 152(3) –
False Declaration; 18 U.S.C. § 152(7) –
Concealment of Assets; 18 U.S.C. §
1956(a)(1)(B)(i) – Money Laundering;
18 U.S.C. § 982 – Forfeiture; 18 U.S.C.
§ 2 – Aiding and Abetting
SAN FRANCISCO VENUE

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21

22

INDICTMENT

23

24 The Grand Jury charges:

25 COUNTS ONE THROUGH SIX: (18 U.S.C. §§ 157 & 2– Bankruptcy Fraud and Aiding
and Abetting)

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The Defendants and Related Entities

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1. At all times relevant to this Indictment:

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a. Win Fashion, Inc. (hereinafter “WF”) was a California corporation located in San

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Francisco engaged in the garment business.

b. Wins of California, Inc. (hereinafter “WOC”) was a California corporation located in San Francisco engaged in the garment business.

c. Win Industries of America (hereinafter “WI”) was a California corporation located in San Francisco engaged in the garment business.

d. Tomi LLC was a California limited liability company located in San Francisco engaged in property management.

e. Jolene’s-Draper LLC (hereinafter “Jolene’s-Draper”) was a Utah limited liability company located in Utah operating a retail clothing business.

f. Jo Lene Utah, Inc. (hereinafter “Jo Lene Utah”) was a Utah corporation.

g. UV-Tech Corporation (hereinafter “UV-Tech”) was a California corporation.

h. Defendant JIMMY QUAN, a/k/a Toha Quan (hereinafter “defendant QUAN”) was President of WF, WI, and Jo Lene Utah, a member of Jolene’s-Draper, and owned all of the stock of WF.

i. Defendant ANNA WONG, a/k/a Anna You Nor Wong (hereinafter “defendant ANNA WONG”) was Chief Financial Officer of WF. She was also President of WOC, Chief Executive Officer of WOC, Chief Financial Officer of WI, a manager of Jolene’s Draper and owned all of the stock of WOC, and owned an undetermined percent of the stock of WI. Defendant QUAN and defendant ANNA WONG were husband and wife.

j. Defendant JENNY WONG, a/k/a Jenny Yee Nor Wong (hereinafter “defendant JENNY WONG”) was the Corporate Secretary and Financial Officer of WF. She was also Corporate Secretary and member of the board of directors of WOC, Corporate Secretary of WI and President of UV-Tech. Defendant JENNY WONG is a sister of defendant ANNA WONG.

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1 causes a halt in all debt collection activities by creditors. Debtors' assets and interests in
2 assets are collectively referred to as an "estate," which comes into existence upon filing
3 the petition.

4 7. After filing the petition, the debtor files "schedules" which are lists of assets and
5 debts and statements of financial affairs of all types. Debtors or their principals sign
6 these papers under penalty of perjury, and declare that they are true.

7 8. Next, the debtor appears at a "Meeting of Creditors" to answer trustees' and/or
8 creditors' questions about their schedules and financial affairs.

9 9. The bankruptcy process is designed to achieve orderly distributions to creditors
10 from available assets truthfully disclosed, and provide a "fresh start" to honest debtors in
11 need of relief from insolvency by allowing them a discharge of their debts.

12 Scheme to Defraud: WF, WOC and Tomi LLC Bankruptcies

13 10. Beginning on an unknown date, but no later than on or about April 23, 1997, and
14 continuing to on or about September 29, 2004, defendants QUAN, ANNA WONG and
15 JENNY WONG devised and intended to devise a scheme and artifice to defraud the
16 United States Bankruptcy Court for the Northern District of California (hereinafter
17 "Bankruptcy Court") and the public and private creditors of debtors WF, WOC and Tomi
18 LLC (including the Internal Revenue Service and the Employment Development
19 Department of the State of California). One purpose of the scheme was to conceal the
20 assets of debtors WF, WOC and Tomi LLC from the creditors of debtors and the
21 Bankruptcy Court. A second purpose of the scheme was to divert revenues from debtor
22 WF to companies controlled by defendants while having WF incur all or part of the
23 expenses of producing the diverted revenues. The details of the scheme and artifice to
24 defraud are set forth below.

25 Scheme to Defraud: WF Bankruptcy

26 11. On or about April 30, 1997, the defendant QUAN caused to be filed a petition for
27 bankruptcy for WF in the Bankruptcy Court under Title 11, United States Code, Chapter
28 11 in In re: Win Fashion, Inc., Case No. 97-32025. In that case, on May 23, 1997,

1 defendant QUAN caused to be filed WF's Statement of Financial Affairs in which he
2 made the following false and fraudulent statements:

3 a. Question 21 of the Statement of Financial Affairs required a listing of all
4 withdrawals or distributions by WF, credited to or given to an insider of WF during the
5 year immediately preceding the commencement of WF's bankruptcy case. Defendant
6 QUAN falsely listed only "Jimmy Quan" while omitting withdrawals and distributions in
7 the approximate amount of \$62,000 to defendant JENNY WONG who as Corporate
8 Secretary, Financial Officer and relative of persons in control of WF was an insider of
9 WF as that term was defined in the Statement of Financial Affairs. Specifically, the
10 Statement of Financial Affairs defined insider to include officers and any person in
11 control of a corporate debtor and their relatives.

12 b. Question 3a of the Statement of Financial Affairs required a listing of all
13 payments on loans, installment purchases of goods or services, and other debts,
14 aggregating more than \$600 to any creditor made within 90 days preceding the
15 commencement of WF's bankruptcy case. In an amendment to the Statement of Financial
16 Affairs filed July 30, 1997, defendant QUAN falsely listed a \$10,000 payment to Fidelity
17 Title as a payment to a creditor when, in fact, Fidelity Title was not a creditor of WF, but
18 was a title company facilitating the acquisition of property at 935 Folsom Street in San
19 Francisco for the benefit of defendants QUAN and ANNA WONG.

20 12. Prior to and during the first part of 1997, the Cutloose company (hereinafter
21 "Cutloose"), a garment distributor, paid WF on an ongoing basis to manufacture garments
22 for Cutloose. Approximately one week before the filing of WF's bankruptcy petition,
23 defendant QUAN instructed Cutloose to pay WOC instead of WF for garments
24 manufactured for Cutloose. As a consequence, from on or about May 1, 1997 to on or
25 about August 31, 1999, Cutloose paid WOC instead of WF for garments manufactured by
26 WF employees in WF's warehouse.

27 13. In August or September 1999, defendant ANNA WONG instructed Cutloose to
28 stop paying WOC and start paying WI for the continued manufacturing of Cutloose

1 garments, and Cutloose thereafter paid WI. To explain the change to paying WI instead
2 of WOC, defendant ANNA WONG falsely and fraudulently represented to Cutloose that
3 she had to close the WOC bank account due to forgery. As a consequence, from on or
4 about September 1, 1999 to on or about May 11, 2001, Cutloose paid WI instead of WF
5 for garments manufactured by WF employees in WF's warehouse.

6 14. On or about May 11, 2001, defendant JENNY WONG instructed Cutloose to stop
7 paying WI and start paying WOC for the continued manufacturing of Cutloose garments,
8 and Cutloose thereafter paid WOC until on or about August 3, 2001. To explain the
9 change to paying WOC instead of WI, defendant JENNY WONG falsely and fraudulently
10 represented to Cutloose that the WI bank account was being closed because some checks
11 were missing from their office. As a consequence, from on or about May 16, 2001 to on
12 or about August 3, 2001, Cutloose paid WOC instead of WF for garments manufactured
13 by WF employees in WF's warehouse.

14 15. From on or about May 1, 1997 through on or about August 3, 2001, WF paid
15 approximately \$701,350 to WF workers who manufactured garments for Cutloose.
16 During this period of time, defendants QUAN, ANNA WONG and JENNY WONG, in
17 breach of their fiduciary duties owed to WF, diverted approximately \$4,701,000 in
18 Cutloose payments to WOC and WI. In further breach of their fiduciary duties,
19 defendants QUAN, ANNA WONG and JENNY WONG fraudulently failed to disclose to
20 the Bankruptcy Court, Office of the United States Trustee or WF's creditors the diversion
21 of Cutloose payments from WF to WOC and WI.

22 16. As debtor-in-possession, WF was required to file and did file monthly operating
23 reports with the Bankruptcy Court. The filing of such monthly operating reports helped
24 to prolong the Chapter 11 proceeding and WF's status as debtor-in-possession while WF
25 used its money and property to produce revenues for WOC and WI from the Cutloose
26 business. Between on or about February 1, 2000 and September 13, 2000, defendant
27 QUAN provided records to WF's accountant that falsely and fraudulently listed payments
28 from Cutloose to WF for the purpose of preparing monthly operating reports. The records

1 falsely represented that WF's monthly receipts from Cutloose were from approximately
2 \$12,000 to \$37,000 per month depending on the month. The records falsely gave the
3 appearance that WF still had a business relationship with Cutloose. Relying on the
4 records supplied by defendant QUAN, WF's accountant included the Cutloose payments
5 in the WF monthly operating reports. Defendant QUAN signed and caused the monthly
6 reports to be filed with the Bankruptcy Court.

7 17. On or about July 5, 2001, the Bankruptcy Court converted WF from a Chapter 11
8 to a Chapter 7 bankruptcy proceeding, thus ending WF's status as debtor-in-possession.

9 Scheme to Defraud: WOC Bankruptcy

10 18. On or about August 10, 2001, the defendant ANNA WONG filed or caused to be
11 filed a petition for bankruptcy in the Bankruptcy Court under Title 11, United States
12 Code, Chapter 11 for WOC in In re: Wins of California, Inc., Case Number 01-32091-
13 SFC-11. The filing of the Chapter 11 petition provided defendants QUAN and WONG,
14 officers of the debtor-in-possession, the opportunity to transfer money and property of the
15 corporation to themselves or other entities controlled by the defendants.

16 19. Defendants QUAN and ANNA WONG made large purchases on WOC's credit
17 for fabric and other goods used in WOC's garment business during 2001, and then failed
18 to pay fully for the purchases.

19 20. In anticipation of the filing of WOC's petition for bankruptcy, defendant ANNA
20 WONG paid \$20,000 each to Fidelity Title and Macy Mak in 2001 with checks drawn on
21 WOC accounts. The checks related to the sale and transfer of property at 1081 Le Conte
22 Avenue in San Francisco, property ultimately sold for the benefit of the children of
23 defendants QUAN and ANNA WONG as described below.

24 21. Prior to August 24, 2001, WOC prepared garments and fabric for a Colorado
25 company according to the buyer's specifications. The Colorado company tendered a
26 check for \$19,111.24 payable to WOC in payment of the work done. Instead of accepting
27 payment, defendant ANNA WONG requested that the Colorado company issue a new
28 check for \$19,111.24 to UV-Tech. Thereafter, between on or about August 30, 2001 and

1 September 7, 2001, the Colorado company tendered a check for \$19,111.24 to UV-Tech.

2 22. From on or about August 2, 2001, through on or about October 27, 2001,
3 defendants QUAN and ANNA WONG sold approximately \$332,500 worth of WOC
4 fabric and garments to a garment broker in Los Angeles. Instead of requesting payment
5 to WOC for the merchandise, defendants QUAN and ANNA WONG requested and
6 received checks made payable to Tomi LLC, Anna Wong, UV-Tech Corporation and
7 Bick Yon Wong.

8 23. Before and after the filing of the WOC petition for bankruptcy, defendants
9 QUAN and ANNA WONG transferred WOC fabric and garments worth approximately
10 \$2,000,000 from the WOC facility to Jolene's-Draper retail stores in Utah to conceal
11 them from the Bankruptcy Court. The fabric and garments were sold in Jolene's-Draper
12 stores and the proceeds were deposited to Jolene's-Draper accounts. WOC did not
13 receive any payment for the transfer of the WOC fabric and garments.

14 24. On or about October 16, 2001, defendant ANNA WONG filed or caused to be
15 filed WOC's Statement of Financial Affairs. Question 21 of the Statement of Financial
16 Affairs required a listing of all withdrawals or distributions by WOC, credited to or given
17 to an insider of WF during the year immediately preceding the commencement of WOC's
18 bankruptcy case. Defendant ANNA WONG falsely listed only "Anna Wong" while
19 omitting withdrawals and distributions in excess of \$41,000 to defendant JENNY WONG
20 who as Corporate Secretary, Member of Board of Directors and a relative of persons in
21 control of WOC was an insider of WOC as that term was defined in the Statement of
22 Financial Affairs.

23 25. Defendants QUAN, ANNA WONG and JENNY WONG fraudulently concealed
24 and failed to disclose to the Bankruptcy Court and WOC's creditors the transfers of
25 property referred to above in paragraphs 20-24.

26 Scheme to Defraud: Tomi LLC Bankruptcy

27 26. On or about July 8, 2003, the defendants QUAN and ANNA WONG filed or
28 caused to be filed a petition for bankruptcy for Tomi LLC in the Bankruptcy Court under

1 Title 11, United States Code, Chapter 11 in In re: Tomi LLC, Case Number 03-31971-
2 DM-11.

3 27. Also on July 31, 2003, the defendants QUAN and ANNA WONG filed or caused
4 to be filed a false and fraudulent Statement of Financial Affairs for Tomi LLC with the
5 Bankruptcy Court. Tomi LLC's Statement of Financial Affairs falsely represented that
6 Tomi LLC received no gross income from employment, trade, profession or operation of
7 the debtor's business during the calendar year 2001, and no gross income during the two
8 years immediately preceding the commencement of bankruptcy. Tomi LLC's Statement
9 of Financial Affairs also falsely represented that Tomi LLC received no income (gross or
10 otherwise) during the two years immediately preceding the commencement of
11 bankruptcy. In fact, Tomi LLC received at least \$259,000 from a garment broker in Los
12 Angeles between August 2, 2001 and October 30, 2001.

13 28. Tomi LLC's Statement of Financial Affairs further falsely represented that Tomi
14 LLC transferred no property, other than property transferred in its ordinary course of
15 business or financial affairs, within one year immediately preceding the commencement
16 of bankruptcy. It further falsely represented that Tomi LLC had no property sold at a
17 foreclosure sale or transferred property through a deed in lieu of foreclosure within one
18 year immediately preceding the commencement of bankruptcy. In fact, Tomi LLC was
19 the beneficiary of a second deed of trust on 1081 LeConte Avenue in San Francisco
20 which property was sold at a foreclosure sale on or about April 4, 2004, and which
21 property was the subject of an assignment to Jo Lene Utah in April 2004.

22 29. On or about July 16, 2003, Sigma Development Inc. purchased 1081 LeConte
23 from Jo Lene Utah for \$620,000. Defendants QUAN and ANNA WONG negotiated the
24 sale on behalf of Jo Lene Utah, and caused five checks payable to their children to be
25 disbursed from the escrow account established for the sale.

26 30. On or about the dates set forth below, in the Northern District of California and
27 elsewhere, the defendants

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JIMMY QUAN,
a/k/a Toha Quan,
ANNA YOU NOR WONG,
a/k/a Anna Wong, and
JENNY WONG,
a/k/a Jenny Yee Nor Wong,

having devised a scheme and artifice to defraud as set forth above, for the purpose of executing and concealing the scheme and artifice to defraud and attempting to do so, did file and caused to be filed in the Bankruptcy Court documents under Title 11 of the United States Code, namely monthly operating reports, in In re: Win Fashion, Inc., Case Number 97-32025-DM-11, as specified below:

| <u>Count</u> | <u>Monthly Operating Report</u> | <u>Date Report Filed</u> |
|--------------|---------------------------------|--------------------------|
| 1 | Report for January 2000 | March 13, 2000 |
| 2 | Report for February 2000 | April 10, 2000 |
| 3 | Report for March 2000 | May 8, 2000 |
| 4 | Report for April 2000 | June 7, 2000 |
| 5 | Report for May 2000 | August 23, 2000 |
| 6 | Report for June 2000 | September 27, 2000 |

All in violation of Title 18, United States Code, Sections 157 and 2.

COUNT SEVEN: (18 U.S.C. §§ 157 & 2– Bankruptcy Fraud and Aiding and Abetting)

31. The allegations in paragraphs 1 through 29 are hereby realleged and incorporated by reference as if they were fully set forth herein.

32. On or about August 10, 2001, in the Northern District of California and elsewhere, the defendants

JIMMY QUAN,
a/k/a Toha Quan,
ANNA YOU NOR WONG,
a/k/a Anna Wong, and
JENNY WONG,
a/k/a Jenny Yee Nor Wong,

having devised a scheme and artifice to defraud, for the purpose of executing and concealing the scheme and artifice to defraud and attempting to do so, did file and caused to be filed a petition for bankruptcy in the Bankruptcy Court under Title 11 of the United States Code in In re: Wins of California, Inc., Case Number 01-32091-SFC-11.

1 All in violation of Title 18, United States Code, Sections 157 and 2.

2 COUNT EIGHT: (18 U.S.C. §§ 157 & 2– Bankruptcy Fraud and Aiding and Abetting)

3 33. The allegations in paragraphs 1 through 29 are hereby realleged and incorporated
4 by reference as if they were fully set forth herein.

5 34. On or about July 31, 2003, in the Northern District of California and elsewhere,
6 the defendants

7 JIMMY QUAN,
8 a/k/a Toha Quan,
9 ANNA YOU NOR WONG,
10 a/k/a Anna Wong, and
11 JENNY WONG,
12 a/k/a Jenny Yee Nor Wong,

13 having devised a scheme and artifice to defraud, for the purpose of executing and
14 concealing the scheme and artifice to defraud and attempting to do so, did file and caused
15 to be filed a document in a proceeding in Bankruptcy Court under Title 11 of the United
16 States Code in In re: Tomi LLC., Case Number, 03-31971-DM-11, namely a Statement of
17 Financial Affairs.

18 All in violation of Title 18, United States Code, Sections 157 and 2.

19 COUNTS NINE THROUGH FOURTEEN: (18 U.S.C. §§ 152(8) & 2 – False Entry and
20 Aiding and Abetting)

21 35. The allegations in paragraphs 1 through 29 are hereby realleged and incorporated
22 by reference as if they were fully set forth herein.

23 36. On or about the dates set forth below, in the Northern District of California, the
24 defendants

25 JIMMY QUAN,
26 a/k/a Toha Quan, and
27 ANNA YOU NOR WONG,
28 a/k/a Anna Wong,

after the filing of a case under Title 11, namely, In re: Win Fashion, Inc., case number 97-
32025, then pending in Bankruptcy Court, knowingly and fraudulently falsified and made
a material false entry in recorded information (including books, documents, records and
papers) relating to the financial affairs of the debtor, WF, in that the defendants made

1 false entries as indicated below in WF's records of deposits and expenses stating that
2 WF received deposits from Cutloose in the amounts set forth below, when in truth, as the
3 defendant then knew, WF did not receive such deposits from Cutloose:

| Count | Record | Entry Date | Cutloose Deposits |
|-------|----------------------|-----------------------------|-------------------|
| 4 9 | January 2000 record | Feb. 1- Mar. 8, 2000 | \$12,500.00 |
| 5 10 | February 2000 record | Mar.1 - Mar. 19, 2000 | \$16,121.17 |
| 6 11 | March 2000 record | April 1 - April 27, 2000 | \$37,362.50 |
| 7 12 | April 2000 record | May 1- May 17, 2000 | \$32,107.00 |
| 8 13 | May 2000 record | June 1 - June 11, 2000 | \$24,601.50 |
| 9 14 | June 2000 record | July 1- Sept. 13, 2000 | \$31,202.00 |

10 All in violation of Title 18, United States Code, Sections 152(8) and 2.

11 COUNT FIFTEEN: (18 U.S.C. §§ 152(3) & 2 – False Declaration and Aiding and
12 Abetting)

13 37. The allegations in paragraphs 1 through 29 are hereby realleged and incorporated
14 by reference as if they were fully set forth herein.

15 38. On or about October 16, 2001, in the Northern District of California, the
16 defendants

17 JIMMY QUAN,
18 a/k/a Toha Quan,
19 ANNA WONG,
20 a/k/a Anna You Nor Wong, and
21 JENNY WONG,
22 a/k/a Jenny Yee Nor Wong,

23 in connection with a case under Title 11 of the United States Code, namely, In re: Wins of
24 California, Inc., Case Number 01-32091-SFC-11, then pending in Bankruptcy Court,
25 knowingly and fraudulently made and caused the making of a statement and declaration
26 under penalty of perjury in WOC's Statement of Financial Affairs which was false as to a
27 material matter, in that the defendants listed only "Anna Wong" as WOC's answer in
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1 response to the following request set forth in Question 21: “If the debtor is a partnership
2 or corporation, list all withdrawals or distributions credited to or given to an insider
3 including compensation in any form, bonuses, loans, stock redemptions, options exercised
4 and any other perquisite during **one year** [bold in original] immediately preceding the
5 commencement of this case.” In truth, as the defendants then knew, defendant JENNY
6 WONG was an insider who received in excess of \$41,000 during the one year
7 immediately preceding the commencement of this case.

8 All in violation of Title 18, United States Code, Sections 152(3) and 2.

9 COUNT SIXTEEN: (18 U.S.C. §§ 152(3) & 2 – False Declaration and Aiding and
10 Abetting)

11 39. The allegations in paragraphs 1 through 29 are hereby realleged and incorporated
12 by reference as if they were fully set forth herein.

13 40. On or about July 31, 2003, in the Northern District of California, the defendants

14 JIMMY QUAN,
15 a/k/a Toha Quan, and
16 ANNA WONG,
17 a/k/a Anna You Nor Wong,

18 in connection with a case under Title 11 of the United States Code, namely, In re: Tomi
19 LLC, case number 03-31971-DM-11, then pending in Bankruptcy Court, knowingly and
20 fraudulently made and caused the making of a statement and declaration under penalty of
21 perjury in Tomi LLC’s Statement of Financial Affairs which were false as to a material
22 matter, in that the defendants left blank the place for Tomi LLC’s answer in response to
23 the following requests in Questions 2, 5 and 10 respectively:

24 a. “State the amount of income received by the debtor other than from
25 employment, trade, profession or operation of the debtor’s business during the **two years**
26 [bold in original] immediately preceding the commencement of this case.” In truth, as the
27 defendants then knew, Tomi LLC had received approximately \$259,000 in income from a
28 garment broker in Los Angeles between August 2, 2001 and October 31, 2001;

b. “List all property that has been repossessed by a creditor, sold at a foreclosure
sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one**

1 **year** [bold in original] immediately preceding the commencement of this case.” In truth,
2 as the defendants then knew, Tomi LLC was the beneficiary of a second deed of trust on
3 1081 LeConte Avenue in San Francisco which property was sold at a foreclosure sale on
4 or about April 4, 2004;

5 c. “List all other property, other than that transferred in the ordinary course of
6 business or financial affairs of the debtor, transferred absolutely or as security within **one**
7 **year** [bold in original] immediately preceding the commencement of this case.” In truth,
8 as the defendants then knew, Tomi LLC’s interest in 1081 LeConte Avenue in San
9 Francisco was transferred to Jo Lene, Utah Inc. between on or about April 4, 2003 and on
10 or about April 30, 2004.

11 All in violation of Title 18, United States Code, Sections 152(3) and 2.

12 COUNTS SEVENTEEN THROUGH NINETEEN: (18 U.S.C. §§ 152(7) & 2 --

13 Concealment of Assets in Contemplation of a Case Under Title 11 and Aiding and
14 Abetting)

15 41. The allegations in paragraphs 1 through 29 are hereby realleged and incorporated
16 by reference as if they were fully set forth herein.

17 42. Between on or about the dates set forth below, in the Northern District of
18 California, the defendants

19 JIMMY QUAN,
20 a/k/a Toha Quan,
21 ANNA WONG, and
22 a/k/a Anna You Nor Wong,

23 in their personal capacities and as agents of the persons and corporations set forth below
24 in contemplation of a bankruptcy case under Title 11 by the persons and corporations set
25 forth below, knowingly and fraudulently transferred and concealed certain property of the
26 persons and corporations set forth below:

| <u>Count</u> | <u>Date</u> | <u>Description of Property</u> | <u>Person/Corp.</u> |
|--------------|--------------|---------------------------------------|---------------------|
| 17 | May 23, 2001 | WOC check for \$20,000 to Macy Mak | WOC |
| 28 | // | | |

18 August 2, 2001 WOC receivable for \$100,000 WOC
and a \$100,000 check
to Tomi LLC

19 April 4, 2003 Tomi LLC's interest in 1081 Le Conte Tomi LLC
- April 30, 2003 Avenue in San Francisco

All in violation of Title 18, United States Code, Sections 152(7) and 2.

COUNTS TWENTY THROUGH TWENTY-NINE: (18 U.S.C. §§ 152(7) & 2 --

Concealment of Assets with the Intent to Defeat the Provisions of Title 11 and Aiding and Abetting)

43. The allegations in paragraphs 1 through 29 are hereby realleged and incorporated by reference as if they were fully set forth herein.

44. Between on or about the dates set forth below, in the Northern District of California, the defendants

JIMMY QUAN,
a/k/a Toha Quan,
ANNA WONG,
a/k/a Anna You Nor Wong, and
JENNY WONG,
a/k/a Jenny Yee Nor Wong,

in their personal capacities and as agents of the corporations set forth below, with the intent to defeat the provisions of Title 11, knowingly and fraudulently transferred and concealed certain property of WOC described below:

| <u>Count</u> | <u>Date</u> | <u>Description of Property</u> |
|--------------|--|---|
| 20 | August 30, 2001 - September 7, 2001 | WOC receivable for \$19,111.41 and \$19,111.41 check to U-V Tech representing payment of WOC receivable |
| 21 | August 27, 2001 | WOC receivable for \$70,000 and \$70,000 check to Tomi LLC representing payment of WOC receivable |
| 22 | August 31, 2001 | WOC receivable for \$3,000 and \$3,000 check to Anna Wong representing payment of WOC receivable |
| 23 | September 5, 2001 | WOC receivable for \$5,000 and \$5,000 check to Anna Wong representing payment of WOC receivable |
| 24 | September 12, 2001 | WOC receivable for \$5,000 and \$5,000 check to Anna Wong representing payment of WOC receivable |

| | | | | |
|---|----|---|-------|--|
| 1 | 25 | October 15, 2001 | _____ | WOC receivable for \$10,000 and \$10,000 check to UV Tech representing payment of WOC receivable |
| 2 | | | | |
| 3 | 26 | October 16, 2001 | _____ | WOC receivable for \$75,000 and \$75,000 check to Tomi LLC representing payment of WOC receivable |
| 4 | | | | |
| 5 | 27 | October 27, 2001 | _____ | WOC receivable for \$50,000 and \$50,000 check to Bick Yon Wong representing payment of WOC receivable |
| 6 | | | | |
| 7 | 28 | October 30, 2001 | _____ | WOC receivable for \$14,500 and \$14,500 check to Tomi LLC representing payment of WOC receivable |
| 8 | | | | |
| 9 | 29 | September 15, 2001 - February 28, 2002 | | WOC fabric and garments |

10 All in violation of Title 18, United States Code, Sections 152(7) and 2.

11 COUNTS THIRTY THROUGH THIRTY-FOUR: (18 U.S.C. §§ 1956 (a)(1)(B)(i) & 2 –
 12 Money Laundering and Aiding and Abetting)

13 45. The allegations in paragraphs 43 through 44 are hereby realleged and
 14 incorporated by reference as if they were fully set forth herein.

15 46. On or about August 5, 2003, in the Northern District of California and elsewhere,
 16 the defendants

17 JIMMY QUAN,
 18 a/k/a Toha Quan, and
 ANNA WONG,
 19 a/k/a Anna You Nor Wong,

20 did knowingly and intentionally conduct and attempt to conduct the financial transactions
 21 described below affecting interstate commerce and involving the use of Citibank West
 22 F.S.B, a financial institution which was engaged in interstate commerce, which financial
 23 transactions involved the proceeds of specified unlawful activities, specifically
 24 concealment of assets relating to Title 18, United States Code, Section 152(7), and
 25 knowing that the property involved in such financial transactions represented the
 26 proceeds of some form of unlawful activity, and knowing that the financial transactions
 27 were designed in part to conceal and disguise the nature, location, source, ownership, and
 28 control of the proceeds of those specified unlawful activities:

Count

Financial Transaction

- 1 30 Deposit of a check for \$90,907.10 payable to Nancy Quan
2 into account 40017922317 in the name of Nancy Quan ACF
3 Jana Quan
- 4 31 Deposit of a check for \$45,453.55 payable to Judy Quan into
5 account 40017922259 in the name of Nancy Quan ACF
6 Judy Quan
- 7 32 Deposit of a check for \$45 453.55 payable to Daisy Quan into
8 account 40017922275 in the name of Nancy Quan ACF
9 Daisy Quan
- 10 33 Deposit of a check for \$45,453.55 payable to Judy Quan into
11 account 40017922234 in the name of Nancy Quan ACF
12 Jacky Quan
- 13 34 Deposit of a check for \$45,453.55 payable to Judy Quan into
14 account 40017922259 in the name of Nancy Quan ACF
15 Darius Quan

16 All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

17 FORFEITURE ALLEGATION: (18 U.S.C. § 982)

18 47. The allegations in paragraphs 45 and 46 above are hereby realleged and
19 incorporated by reference as if they were fully set forth herein.

20 48. Upon conviction of the offense of money laundering offenses charged in counts
21 30 through 34 and alleged in paragraphs 45 and 46 above,

22 JIMMY QUAN,
23 a/k/a Toha Quan, and
24 ANNA WONG,
25 a/k/a Anna You Nor Wong,

26 defendants, shall forfeit to the United States, any property (real and personal) involved in
27 said offense(s), or any property traceable to said property, pursuant to Title 18, United
28 States Code, Section 982(a)(1), and all property constituting or derived from proceeds of
said offenses, pursuant to Title 18, United States Code, Section 982(a)(2), including but
not limited to the five checks listed in paragraph 46. If, as a result of any act or omission
of the defendants, any of said property

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which, without difficulty cannot be subdivided; any and all interest defendants have in any other property, up to approximately the value of the property subject to forfeiture, shall be forfeited to the United States, pursuant to 21 U.S.C. § 853(a)(1) and (p).

SENTENCING ALLEGATIONS

49. With respect to counts 1 through 29 with which a particular defendant is charged:

a. the offense involved more than one victim;

b. the offense involved misrepresentation or other fraudulent action during the course of a bankruptcy proceeding.

50. With respect to counts 1 through 8, the loss was more than \$1,000,000.

51. With respect to count 17, the loss was more than \$10,000.

52. With respect to count 18, the loss was more than \$70,000.

53. With respect to count 19, the loss was more than \$200,000.

54. With respect to count 20, the loss was more than \$10,000.

55. With respect to count 21, the loss was more than \$30,000.

56. With respect to count 26, the loss was more than \$70,000.

57. With respect to count 27, the loss was more than \$30,000.

58. With respect to count 28, the loss was more than \$10,000.

59. With respect to count 29, the loss was more than \$1,000,000.

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